Attachment 2 - Historical Allocation of Gross Investment Earnings

Earned Income Return - Investment Earnings ($millions)

Allocation Breakdown	2025[6] (YTD)	2024	2023[3]	2022	2021	2020	2019	2018
1. Operating Budget	$127.4	$493.5[4]	$260.5	$64.9	$93.7	$95.2	$187.0	$109.4
2. Reserve Funds	$51.6	$104.1	$183.5	$27.5	$13.3[2]	$85.3	$80.3	$47.1
Total General Fund	**$179.0**	**$597.6[5]**	**$444.0[5]**	**$92.4**	**$107.0**	**$180.5**	**$267.3[1]**	**$156.5**
Earned Income Return on Capital[7]	1.7%	5.4%	4.0%	0.9%	1.2%	3.0%	4.3%	2.7%

[1] The investment return was abnormally high due to one-time non-recurring capital gains realized during the transition period when fund was transferred to the external investment managers.
[2] The decline from 2020 is due to the significant drop in the 3-month T-Bill rate because of the pandemic.
[3] Valuation before the new financial instruments accounting standard (PS 3450) change.
[4] Including other contribution to Budget Bridging Reserve funds.
[5] The investment return was abnormally high due to City's maintenance of a higher-than-normal cash balance since the onset of COVID-19, benefiting from short-term interest rates at levels not seen in over two decades.
[6] For the six month period ending June 30, 2025
[7]Prorated by estimated balance between Long Term and Short Term funds.